

1 IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

MAR 21 AM 8:16

2 IN AND FOR THE COUNTY OF COCHISE

3  
4 STATE OF ARIZONA,

5 Plaintiff,

6 vs.

No. CR201800156

7 LONNIE McCOY,

8 Defendant.

9  
10  
11 COURT REPORTER'S TRANSCRIPT OF GRAND JURY PROCEEDINGS

12 FEBRUARY 15, 2018  
13 BISBEE, ARIZONA  
14

15 APPEARANCES:

16 Ms. Terisha Driggs, Esq.  
17 Deputy County Attorney  
18 Attorney for the State of Arizona



19 **COPY**  
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21

22  
23 AARON SCHLESINGER  
24 CERTIFIED COURT REPORTER #50095  
25 COCHISE COUNTY SUPERIOR COURT, DIVISION V  
P.O. DRAWER CJ  
BISBEE, ARIZONA, 85603  
(520) 432-8494

GRAND JURORS PRESENT

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COLEMAN, PAUL  
COMADURAN, ANTONIO  
DIETZ, TERRY - BAILIFF  
HANCOCK, DUSTIN - FOREMAN  
HERRIMAN, JUDY  
KELLER, PAMELA  
McGINTY, CINDY - CLERK  
NORTON, BRUCE  
ROARK, KERRY  
SKINNER, MARY  
SMITH, ANNABELLE  
STURTEVANT, MEGAN  
TAYLOR, LUCINDA  
WHITE, ROBERT  
WOLCOTT, CONNIE

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1 MS. DRIGGS: Good afternoon. My name is  
2 Terisha Driggs, Deputy County Attorney with Cochise  
3 County. Today is February 15th, 2018. We are here  
4 with the Grand Jury. This is a case of theft from a  
5 vulnerable adult and unlawful use of a power of  
6 attorney as well as money laundering. That all  
7 occurred between December 13th of 2016 and August 1,  
8 2017 in Sierra Vista.

9 Does anybody believe that they have  
10 personal familiarity with the circumstances that I have  
11 described?

12 I see no hands.

13 The defendant in this case is Lonnie  
14 McCoy. Does anybody believe that they have any  
15 personal familiarity with Mr. McCoy?

16 I see no hands.

17 The witnesses or other people involved in  
18 this case include Officer Papatrefon, Peter VanWesep,  
19 Kelly Janney, Sandra O'Riley, Taylor Voegeli, Mario  
20 Gonzalez, Ginger Shreve and Eva Morales McCoy.

21 Does anybody believe that they have any  
22 familiarity with any of those names that I just read?

23 I see no hands.

24 If at any point you believe you are  
25 personally familiar with anyone mentioned, please

1     notify me immediately.

2                   In order to assist you in determining  
3     whether or not probable cause exists in this matter,  
4     the following statutes may be appropriate: 13-1802,  
5     Mr. Foreman, has that been read?

6                   THE FOREPERSON: Yes.

7                   MS. DRIGGS: 46-451, Mr. Foreman, has  
8     that been read?

9                   THE FOREPERSON: I do not believe that  
10    we've had that one on our statute list. What was the  
11    number again?

12                  MS. DRIGGS: 46-451. You will have to  
13    excuse me while I pull it up from the Arizona  
14    Legislature website. A.R.S. 46-451 definitions:

15                  A. In this chapter, unless the context  
16    otherwise requires:

17                  1. Abuse means:

18                  A. Intentional infliction of physical  
19    harm.

20                  B. Injury caused by negligent acts or  
21    omission.

22                  C. Unreasonable confinement.

23                  D. Sexual abuse or sexual assault.

24                  2. De facto conservator means a person  
25    who takes possession of the estate of a vulnerable



1 adult without right or lawful authority. A de facto  
2 conservator is subject to all of the responsibilities  
3 that attach to a legally appointed conservator or  
4 trustee.

5 3. De facto guardian means any person  
6 that takes possession of the person of a vulnerable  
7 adult without right of lawful authority. A de facto  
8 guardian is subject to all of the responsibilities that  
9 attach to a legally appointed guardian.

10 Exploitation means the illegal or  
11 improper use of a vulnerable adult or his or her  
12 resources for another's profit or advantage.

13 Informed consent means any of the  
14 following:

15 A. A written expression by the person  
16 that the person fully understands the potential risks  
17 and benefits of the withdrawal of food, water,  
18 medication, medical services, shelter, cooling, heating  
19 or other services necessary to maintain minimum  
20 physical or mental health, and that the person desires  
21 that the services be withdrawn. A written expression  
22 is valid only if the person is of sound mind and if  
23 consent is witnessed by at least two individuals who do  
24 not benefit from the withdrawal of services.

25 I am skipping down to No. 9 which is

1 vulnerable adult as the other definitions are not  
2 applicable to this case.

3           Vulnerable adult means an individual who  
4 is 18 years age or older and unable to protect himself  
5 from abuse, neglect, or exploitation by others because  
6 of physical or mental impairment. A vulnerable adult  
7 includes an incapacitated person as defined by section  
8 14-5101.

9           Finding nothing else applies to this  
10 particular case, I am not going to read the rest of the  
11 statute, as long as that's okay with the members of the  
12 Grand Jury. I see heads nodding yes and nobody nodding  
13 no, so we'll proceed on.

14           Mr. Foreman, 46-456, has that been read?

15           THE FOREPERSON: No.

16           MS.DRIGGS: 46-456, duty to a vulnerable  
17 adult, financial exploitation, civil penalties,  
18 exceptions, definitions:

19           A. A person who is in a position of  
20 trust and confidence to a vulnerable adult shall use  
21 the vulnerable adult's assets solely for the benefit of  
22 the vulnerable adult and not for the benefit of the  
23 person who is in the position of trust and confidence  
24 to the vulnerable adult, or the person's relatives  
25 unless the following applies:

1                   1. The Superior Court gives prior  
2 approval of the transaction on a finding that the  
3 transaction is for benefit of the vulnerable adult.

4                   2. The transaction is specifically  
5 authorized in a valid durable power of attorney that is  
6 executed by the vulnerable adult as the principal or a  
7 in a valid trust instrument that is executed by the  
8 vulnerable adult as a settlor.

9                   I am skipping down to assets, which is:

10                  1. Is defined to include all forms of  
11 personal and real property. That was one.

12                  2. Disposition or appointment of  
13 property includes the transfer of an item of property  
14 or any other benefit of a beneficiary designated in a  
15 governing instrument.

16                  3. For the benefit of the vulnerable  
17 adult includes any act that is consistent with the  
18 clearly stated wishes of the vulnerable adult found by  
19 the court to be made without coercion while the  
20 vulnerable adult was of sound mind.

21                  4. Governing instrument means a deed, a  
22 will, a trust, a custodianship, an insurance or annuity  
23 policy, an account with pay on death designation, a  
24 security registered in a beneficiary form, a pension or  
25 profit sharing retirement or similar benefit plan, a

1 family limited partnership, an instrument creating or  
2 exercising a power of appointment, a power of attorney,  
3 estate planning document or a dispositive, appointive  
4 or nominative instrument of a similar type.

5 5. Position of trust and confidence  
6 means a person is any of the following:

7 A. A person who assumed a duty to  
8 provide care to the vulnerable adult.

9 B. A joint tenant or tenant in common  
10 with a vulnerable adult.

11 C. A person who is in a fiduciary  
12 relationship with a vulnerable adult, including a de  
13 facto guardian or de facto conservator.

14 D. A person who is in a confidential  
15 relationship with a vulnerable adult. The issue of  
16 whether a confidential relationship exists shall be an  
17 issue of fact to be decided by the court based on the  
18 totality of circumstances.

19 E. A beneficiary of vulnerable adult in  
20 a governing instrument.

21 There are parts of the statute that I  
22 have omitted for brevity, and order to read the section  
23 that are applicable to this matter at hand, would  
24 anybody like me to read the remaining portions of the  
25 statute?

1 I see no hands.

2 14-5506, Mr. Foreman, has that been read?

3 THE FOREPERSON: No, I don't believe it's  
4 in our books.

5 MS. DRIGGS: I believe that is correct.  
6 14-5506, powers of attorney, intimidation, deception,  
7 definitions:

8 A. If the agent acted with intimidation  
9 or deception in procuring a power of attorney or any  
10 authority provided in a power of attorney, the agent is  
11 subject to prosecution under Title 13 and civil  
12 penalties pursuant to section 46-456.

13 And skipping a portion which I do not  
14 believe is applicable, does anybody want me to read  
15 that portion?

16 THE FOREPERSON: No.

17 MS. DRIGGS: Thank you. For purposes of  
18 this section:

19 1. Capacity means that at the time the  
20 power of attorney was executed, the principal was  
21 capable of understanding in a reasonable manner the  
22 nature and effect of the act of executing and granting  
23 the power of attorney.

24 Intimidation includes threatening to  
25 deprive a vulnerable adult of food, nutrition, shelter

1 or necessary medication or medical treatment; and

2 3. Vulnerable adult has the same meaning  
3 as prescribed in section 46-451 which I did read.

4 Would anybody like me to read that again?

5 I see no hands.

6 13-2713, Mr. Foreman, has that been read?

7 THE FOREPERSON: No.

8 MS. DRIGGS: 13-2317, money laundering,  
9 classification, definitions. Again, here I will read  
10 excerpts as I feel they are applicable, but should  
11 anybody desire that I read it in its entirety, please  
12 feel free to stop me at any time.

13 A. A person is guilty of money laundry  
14 in the first degree if the person does any of the  
15 following:

16 1. Knowingly initiates, organizes,  
17 plans, finances, directs, manages, supervises, or is in  
18 the business of money laundering, in violation of  
19 subsection B of this section.

20 2. Violates subsection B of this section  
21 in the course of or for the purpose of facilitating  
22 terrorism or murder.

23 B. A person is guilty of money  
24 laundering in the second degree if any of following:

25 1. Acquires or maintains an interest in,

1 transacts, transfers, transports, receives or conceals  
2 the existence or nature of racketeering proceeds  
3 knowing or having reason to know that they are the  
4 proceeds of an offense.

5               2. Makes property available to another  
6 by transaction, transportation, or otherwise knowing  
7 that it is intended to be used to facilitate  
8 racketeering.

9               3. Conducts a transaction knowing or  
10 having reason to know that the property involved is the  
11 proceeds of an offense with the intent to conceal or  
12 disguise the nature, location, source, ownership or  
13 control of the property or the intent to facilitate  
14 racketeering.

15              4. Intentionally or knowingly makes a  
16 false statement, misrepresentation or false  
17 certification, or makes a false entry or omits a  
18 material entry in any application, financial statement,  
19 application, account record, customer receipt, report  
20 or other document that is filed or required to be  
21 maintained or filed under Title 6, Chapter 12.

22              That's all of the applicable portions of  
23 that statute. With that said, I would like to read an  
24 excerpt from 13-2301 on racketeering. Mr. Foreman, has  
25 the definition of racketeering been read? Has that

1     been read?

2                   THE FOREPERSON:   No.

3                   MS. DRIGGS:   Racketeering means any act,  
4     including any predatory or completed offense, that is  
5     chargeable or indictable under the laws of the State or  
6     county in which the act occurred and, if the act  
7     occurred in a state or country other than this state,  
8     that would be chargeable or indictable under the laws  
9     of this state if this act had occurred in this state,  
10    and that would be punishable by more than one year  
11    under the laws of this state and, if the act occurred  
12    in a state or country other than this state, under the  
13    laws of the state or country in which the act occurred,  
14    regardless of whether the act is charged or indicted,  
15    and the act involves either:

16                  A.   Terrorism, animal terrorism or  
17    ecological terrorism that results or is intended to  
18    result in serious physical injury or death.

19                  B.   Any of the following acts if  
20    committed for financial gain:  Homicide, robbery,  
21    kidnapping, forgery, theft, bribery, gambling, usury,  
22    extortion or money laundering.

23                  I have intentionally left out other  
24    definitions that are not applicable.  Would anybody  
25    like me to read the other acts which would also



1       constitute racketeering?

2                       I see no hands.

3                       13-1802, Mr. Foreman, has that been read?

4                       THE FOREPERSON:   Yes.

5                       MS. DRIGGS:   13-1815, Mr. Foreman, has  
6       that been read?

7                       THE FOREPERSON:   No, it is not on our  
8       list.

9                       MS. DRIGGS:   13-1815 unlawful use of a  
10      power of attorney, classification:

11                      A.   An agent who holds a principal's  
12      power or attorney, pursuant to Title 14, Chapter 5,  
13      Article 5 and who uses or manages that principal's  
14      assets or property with the intent to unlawfully  
15      deprive that person is guilty of theft.

16                      Those are all the applicable statutes.

17                      Would anybody like any of those statutes  
18      reread, or does anybody have any questions regarding  
19      clarification at this time?

20                      I see no hands.

21                      Mr. Foreman, members of the Grand Jury,  
22      may I please read the draft Indictment?

23                      THE FOREPERSON:   Yes.

24                      MS. DRIGGS:   Thank you.   The County of  
25      Cochise, State of Arizona, by its authority accuse

1 Lonnie McCoy and charge that in Cochise County:

2 Count 1: Theft from a vulnerable adult:

3 On or between December 13th, 2016 and August 1, 2017,  
4 Lonnie McCoy, without lawful authority, knowingly took  
5 control, title, use, or management of a vulnerable  
6 adult's property, to wit; U.S. currency belonging to  
7 SO, with a value greater than \$4,000 but less than  
8 \$25,000, while acting in a position of trust and  
9 confidence and with the intent to deprive the  
10 vulnerable adult of the property, in violation of  
11 Arizona law.

12 Count 2: Unlawful use of a power of

13 attorney: On or between December 13th, 2016 and August  
14 1, 2017, Lonnie McCoy, an agent who held SO's power of  
15 attorney pursuant to A.R.S. 14-5501, et seq, used or  
16 managed SO's assets or property, to wit; U.S. currency  
17 with a value greater than four thousand dollars but  
18 less than \$25,000, with the intent to unlawfully  
19 deprive SO of the assets or property, all in violation  
20 of Arizona law.

21 Count 3: Money laundering in the first

22 degree: On or between December 13, 2016 and August 1,  
23 2017, Lonnie McCoy knowingly initiated, organized,  
24 planned, financed, directed, managed, supervised or was  
25 in the business of money laundering, all in violation

1 of Arizona law.

2 Let the record reflect that I am handing  
3 the Indictment and Grand Jury Minutes to the Foreman.  
4 My apologies for not handing them to you sooner. This  
5 form of Indictment is prepared solely for your  
6 convenience and should not be construed as an  
7 expression of opinion by the County Attorney's Office.

8 I will not purposely say or do anything  
9 in this presentation that is to be construed as an  
10 indication of my opinion of any fact. If you feel that  
11 I have done so, please disregard those indications.  
12 You are the sole judges of facts. Questions posed and  
13 statements made by the attorneys are not evidence.  
14 Evidence comes from the witness stand and from the  
15 exhibits.

16 Mr. Foreman and members of the Grand  
17 Jury, may I call the witness?

18 THE FOREPERSON: Yes.

19 MS. DRIGGS: Mr. Bailiff, will you please  
20 call Detective Papatrefon.

21  
22 DETECTIVE JOHN PAPATREFON,  
23 having been duly sworn, was examined and testified as  
24 follows:

25

DIRECT EXAMINATION

1

2 BY MS. DRIGGS:

3 Q Please state your name for the record.

4 A John Andrew Papatrefon,

5 P-a-p-a-t-r-e-f-o-n.

6 Q Where are you employed?

7 A With the City of Sierra Vista as a  
8 Detective.

9 Q How long have you been employed there?

10 A I have been a police officer for 16 years  
11 and two months with the Sierra Vista Police Department.

12 Q Were you contacted by Adult Protective  
13 Services regarding Ms. Sandra O'Riley?

14 A Yes, I was.

15 Q And what did Adult Protective Services  
16 report to you?

17 A They reported that Ms. Sandra O'Riley was  
18 not being -- they got reports of her not being taken  
19 care of by the person who was supposed to be taking  
20 care of her.

21 Q Do you recall if that report was made on  
22 December 14th, 2017?

23 A Yes, it was, to Peter VanWesep.

24 Q And who was the caretaker that was  
25 reported as not taking care of Ms. O'Riley?

1           A       Lonnie McCoy.

2           Q       Are you familiar with how Mr. McCoy knew  
3 Ms. Riley?

4           A       Yes, I am.

5           Q       How is that?

6           A       Back in November of 2016, he was friends  
7 with Ms. O'Riley's daughter, and that's how they became  
8 close with Sandra.

9           Q       And did you open up an investigation to  
10 look into the claims that were made by Adult Protective  
11 Services?

12          A       Yes, I did.

13          Q       And what was the result of that  
14 investigation?

15          A       I found that Mr. McCoy had -- did have a  
16 power of attorney signed over to him by Sandra O'Riley.  
17 By signing over the power of attorney, any bills, any  
18 money that is given out, there is no gifts, it has to  
19 be used for Sandra O'Riley only. And what I found is  
20 that Mr. McCoy was using the money for his own use.

21          Q       Do you recall when that power of attorney  
22 was created?

23          A       December 13, 2016.

24          Q       And do you recall if Angela Voegeli was  
25 the Notary on that power of attorney?

1           A       Yes, she was.

2           Q       Did you interview Ms. Voegeli?

3           A       I did.

4           Q       Did she confirm to you that she did in  
5 fact notarize a durable power of attorney for Mr.  
6 McCoy?

7           A       Yes, she did.

8           Q       And that Mr. McCoy then became a power of  
9 attorney for Sandra?

10          A       Yes.

11          Q       Was Sandra present at the time?

12          A       At the time of the signing of the power  
13 of attorney, yes, she was.

14          Q       And did she appear to be cognitive in  
15 understanding what was going on at that time?

16          A       The Notary said that she kind of seemed  
17 out of it, but she was willing to sign. When I mean  
18 out of it, she wasn't happy-go-lucky. She was just  
19 kind of there.

20          Q       But the Notary felt that it was still  
21 appropriate to sign the power of attorney, correct?

22          A       Yes.

23          Q       At the time, did you attempt to contact  
24 Mr. McCoy?

25          A       I did.

1 Q And what happened?

2 A I made an appointment with him to see him  
3 on January 17th, and he had an appointment at another  
4 office in town, so he was going to come see me  
5 afterward. And then he called me and said that he was  
6 going to invoke his Fifth Amendment right, and he  
7 didn't want to speak to me.

8 Q After that, did you reach out to Ginger  
9 Shreve?

10 A Ginger Shreve, yes, is San Pedro  
11 Fiduciary. She is the one that has been taking care of  
12 Sandra since October of 2017.

13 Q When you say taking care of her, how is  
14 her relationship different than Mr. McCoy's  
15 relationship with Sandra?

16 A So, San Pedro Fiduciary takes care of all  
17 her bills, pays. Also, they have an in-home care nurse  
18 that takes care of her, and they provide the nurse.

19 Q And when you went to talk to her, did she  
20 inform you that she was Ms. O'Riley's guardian?

21 A That's correct. She is the court  
22 appointed guardian for Ms. O'Riley.

23 Q And when you had met with her, did she  
24 provide you any transaction logs for the mortgage or  
25 bank statements?

1           A       Yes, she provided me all the statements  
2 since she started taking over what she had.

3           Q       And did she discuss with you that there  
4 were missed mortgage payments from June of 2017 to  
5 September of 2017?

6           A       That's correct. She had to make four  
7 mortgage payments all at one time because the mortgage  
8 was not being paid by Mr. McCoy.

9           Q       As power of attorney for Ms. O'Riley, was  
10 that Mr. McCoy's responsibility?

11          A       Yes, it was.

12          Q       Did you eventually obtain some bank  
13 records for Ms. O'Riley?

14          A       I did.

15          Q       And when you reviewed those bank accounts  
16 and statements, did you discover any suspicious  
17 activity?

18          A       I did.

19          Q       Would you please describe some of those  
20 incidents?

21          A       I can describe it as there was large cash  
22 withdrawals made. No receipts were every written out  
23 for purchases made for Mr. McCoy. Just to give you an  
24 idea, on one Wells Fargo checking account, over \$4600  
25 in purchases were made from December, 2016 until



1 September, and with bank fees that were owed, which  
2 included overdrafts, withdrawals, bank checks that were  
3 written, we're talking over \$25,000 was taken out of  
4 her account.

5           There was payments made to Lonnie McCoy,  
6 his own personal credit card bills and to his own  
7 personal checking account. There were transfers made  
8 from her account with Wells Fargo into his personal  
9 checking account.

10           Q       During your investigation, did you also  
11 discover that there was a City of Sierra Vista payment  
12 in the amount of \$125.39 that was made out of Ms.  
13 O'Riley's account, but was actually for the residence  
14 of the McCoy's?

15           A       That's correct. It was made for 865  
16 Charles Drive, not 1775 Avenida La Corta where Ms.  
17 O'Riley was living.

18           Q       And when you spoke to Ginger, did she  
19 provide you with bank statements for a credit union?

20           A       Yes.

21           Q       And did those statements show -- have a  
22 benefit check of around \$12,000 that was deposited into  
23 Ms. O'Riley's account?

24           A       That was put into the Wells Fargo  
25 account, that's correct. The credit union, she was

1 getting a check every month for VA benefits, also, that  
2 went into the credit union. The Social Security check  
3 is what went in for -- \$12,000 went into the Wells  
4 Fargo account.

5 Q So, Ms. O'Riley has -- it appears that  
6 she has several accounts. She has a credit union  
7 account and a Wells Fargo account. Do you know who  
8 opened those, or when they opened those?

9 A Yes. The Wells Fargo account was opened  
10 by Lonnie McCoy and Sandra O'Riley in December of 2016,  
11 and then the American Southwest Credit Union accounts  
12 were opened, I believe, in June of 2017, in both of  
13 their names.

14 Q And so, the account that was opened you  
15 said December of 2016, is that correct?

16 A That's correct.

17 Q Was opened by Mr. McCoy and Ms. O'Riley?

18 A Yes, it was. He was, as the power of  
19 attorney.

20 Q And did you notice any suspicious  
21 withdrawals or deposits from Ms. O'Riley's account into  
22 Mr. McCoy's check account or his wife's checking  
23 account?

24 A Yes, there were several transfers and  
25 from his -- from Ms. O'Riley's account into Mr. McCoy's

1 account and into his wife, Ms. Morales' account.

2 Q And are you aware of whether or not Ms.  
3 O'Riley had any credit cards?

4 A She only had one. It was a Sears credit  
5 card. And from December of 2016 until the end of 2017,  
6 only one payment was made for thirty one dollars on the  
7 Sears credit card. Other than that, she had no other  
8 credit cards.

9 Q But were there payments made to credit  
10 cards?

11 A Yes, Fingerhut, Capital One payments,  
12 there was multiple Wells Fargo credit cards which  
13 belonged to Lonnie McCoy that these payments were being  
14 made.

15 Q And I'm sorry, you said those cards  
16 belonged to Lonnie McCoy?

17 A That's correct.

18 Q But that the payment was received out of  
19 Ms. O'Riley's account?

20 A That's correct.

21 Q And did you notice any excessive fees on  
22 Ms. O'Riley's bank accounts that appeared suspicious to  
23 you?

24 A There was a lot of overdraft fees during  
25 that time frame from October of -- from December, 2016

1 to October of 2017. There was quite a few overdraft  
2 fees, and he was supposed to be taking care of -- make  
3 sure that there was enough money and not overdrafting  
4 them.

5 Q And that was his responsibility as a  
6 power of attorney, is that correct?

7 A That's correct.

8 Q And did you eventually make contact with  
9 Mr. McCoy?

10 A I did. On January 4th, I went over to  
11 the office where I met him. He had an appointment the  
12 week before. I knew that he was going to be there at  
13 9:30 in the morning. I went to talk to him to see if  
14 he was willing to talk to me. He was not willing to  
15 talk to me again, so I arrested him at that time.

16 Q What did you arrest him for?

17 A I arrested him for theft from a  
18 vulnerable adult, and I arrested him for fraudulent  
19 schemes, and then we added the abuse of the power of  
20 attorney and some money laundering charges.

21 Q So, before we get to the vulnerable adult  
22 portion, there was a second account opened at the  
23 credit union in Ms. O'Riley's name in June of 2017, is  
24 that correct?

25 A Yes.

1           Q       And was there anything odd regarding that  
2   account, and specifically who the primary account  
3   holder was and what the address associated with that  
4   account was?

5           A       Yes, the account was opened in Sandra  
6   O'Riley's name with Lonnie McCoy being the power of  
7   attorney. I noticed on the statements that every month  
8   that actual address was changing. It started out at La  
9   Corta. Then it went to his, Lonnie McCoy's home  
10   address on Santa Claus. It was no longer -- statements  
11   were no longer going to Sandra O'Riley's address.

12          Q       And were there significant withdrawals  
13   from that account?

14          A       Yes. Every month at the beginning of the  
15   month, money would go into it. The following day, the  
16   whole thing would be cleared out through cash  
17   withdrawal.

18          Q       And those withdrawals were supposed to be  
19   for Ms. O'Riley's benefit?

20          A       Yes.

21          Q       And did Mr. McCoy ever provide to anyone  
22   any receipts that would prove those funds were spent  
23   for Ms. O'Riley's benefit?

24          A       No, he did not. He was asked to by Adult  
25   Protective Services. He was asked for receipts from --

1 also from the fiduciary company, Ginger Shreve, but he  
2 wouldn't talk to me about it, so I didn't get a chance  
3 to ask him about the receipts. But he failed to  
4 produce one receipt for any purchases made.

5 Q Now, that same day that that account was  
6 opened in June of 2017, did the McCoys open their own  
7 account at the credit union?

8 A Yes, they did. They have their own  
9 accounts at the credit union.

10 Q What's the address associated with that  
11 account?

12 A That I don't recall.

13 Q Was it an address associated with the  
14 McCoys?

15 A Yes, I believe it was 65 Charles Drive.

16 Q And that is the McCoys' address?

17 A That's their home address, yes.

18 Q Were there any suspicious transfers  
19 regarding Ms. O'Riley's credit union account and that  
20 of the McCoys' account that had been opened at the same  
21 credit union?

22 A When they opened the account, they took  
23 money out and slid it over into their account to open  
24 up their own account.

25 Q With Ms. --

1           A       With Ms. O'Riley's money. They opened up  
2 the account with Ms. O'Riley's money.

3           Q       And let's see, how old is Ms. O'Riley?

4           A       She is 67.

5           Q       And did you receive any medical reports  
6 regarding Ms. O'Riley's mental well-being and her state  
7 of mental awareness?

8           A       I did. She was currently being seen by a  
9 psychiatrist who had stated for years that she is not  
10 -- cannot take care of herself.

11                   And she was doing fine when her husband  
12 was taking care of her, and he passed away in 2015, and  
13 then her daughter started taking care of her.

14                   And then what APS did, they actually --  
15 in 2017, they actually ordered their own doctor to do  
16 an evaluation on her, and they determined that she is  
17 unable to take care of herself physically. She can't  
18 handle finances, so she needed a guardianship and a  
19 conservatorship. She needed both.

20           Q       So, in April of 2017, did Adult  
21 Protective Services initiate that psychological  
22 evaluation of Ms. O'Riley?

23           A       Yes, they did.

24           Q       And was a statement of vulnerability  
25 provided to you?

1           A       Yes.

2           Q       And in that statement of vulnerability,  
3 did the Doctor describe Ms. O'Riley as not being able  
4 to take care of herself, bathe herself, feed herself,  
5 let alone drive or handle her finances?

6           A       That is correct.

7           Q       And so, all of these withdrawals and  
8 transactions that you had noticed, would they be likely  
9 to have happened by Ms. O'Riley's own doing?

10          A       No.

11          Q       And did you see other activity that made  
12 you think that someone other than Ms. O'Riley was  
13 withdrawing money or using her bank account for their  
14 own benefit as opposed to hers?

15          A       Other than Mr. McCoy making withdrawals,  
16 there were several charges on her Wells Fargo debit  
17 card to places such as hotels in town, that she has her  
18 own house. There is no need for her to stay at a  
19 hotel.

20          Q       And are you aware of whether or not Ms.  
21 O'Riley was in a car accident which resulted in  
22 traumatic brain injury?

23          A       Yes, several years ago she was.

24          Q       And so, according to the statement of  
25 vulnerability, she was, in fact, a vulnerable adult, is



1     that correct?

2             A       That is correct.

3             Q       And are there other issues in this  
4     investigation that you would like to bring up to the  
5     Grand Jury?

6             A       At this point, other than the fact that  
7     he had the power of attorney and because she signed it  
8     over to him and put her trust in him to take care of  
9     her, and he was taking care of himself, he was taking  
10    care of his wife and I don't know who else he was  
11    taking care of, and he used the money for his own  
12    purpose and not for the good of Ms. Sandra O'Riley.

13            Q       And did everything that you have  
14    described today occur within Cochise County?

15            A       Yes, it did.

16                    MS. DRIGGS: I have no further questions  
17    for this witness.

18                    Does any member of the Grand Jury have  
19    any questions?

20                    MS. HERRIMAN: Herriman. Did you mention  
21    one time that there was a greater than \$25,000  
22    withdrawal?

23                    THE WITNESS: No, total.

24                    MS. HERRIMAN: Total?

25                    THE WITNESS: Yes, ma'am.

1 MS. HERRIMAN: Thank you.

2 MR. WHITE: White. Just for  
3 clarification, I think that you said it, but I want to  
4 make sure that I got it right, the two accounts were  
5 opened with Wells Fargo and a credit union account in  
6 June. They were opened under the power of attorney?  
7 She was never there. He went and opened them?

8 THE WITNESS: No, she was there with him.  
9 She had to sign, also.

10 MR. WHITE: She did sign?

11 THE WITNESS: She has to sign, that's  
12 correct.

13 MS. DRIGGS:

14 Q Did she sign as a signor of the account?

15 A She is the main holder of the account,  
16 and then he is -- and then he signs as the power of  
17 attorney.

18 Q And as her power of attorney, that gave  
19 him access to the account as though he were the primary  
20 owner, is that correct?

21 A That's correct.

22 MS. DRIGGS: Are there other questions?

23 Okay. Mr. Foreman, members of the Grand  
24 Jury, may the witness be excused?

25 THE FOREPERSON: Yes.

1 (Witness exits Grand Jury Chambers.)

2

3 MS. DRIGGS: Does any member of the Grand  
4 Jury have any questions regarding probable cause or  
5 questions related to the law in this matter that I may  
6 answer for you?

7 I see no hands.

8 In that case, may the court reporter and  
9 I please be excused?

10 THE FOREPERSON: Yes.

11 (County Attorney and court reporter exit  
12 Grand Jury chambers.)

13 MS. DRIGGS: Let the record reflect that  
14 the court reporter and I have returned with the Grand  
15 Jury. Mr. Foreman, has the Grand Jury reached a  
16 decision regarding probable cause?

17 THE FOREPERSON: Yes, we have accepted  
18 the Indictment as prepared and found true bill for  
19 Counts 1 through 3 with a vote of 15 to zero on all  
20 three counts.

21 MS. DRIGGS: Thank you, Mr. Foreman.

22 Let the record reflect that I am signing  
23 the Indictments, and we may go off the record.

24

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C E R T I F I C A T E

STATE OF ARIZONA )  
COUNTY OF COCHISE)

I, Aaron Schlesinger, hereby certify that as  
the Certified Court Reporter, Certificate No. 50095, I  
was present at the proceedings of the foregoing matter;  
that I took down in shorthand the proceedings had and  
oral testimony adduced. The same has been transcribed  
by me this 21st day of February, 2018. The foregoing  
pages contain a full, true and accurate record of the  
proceedings.

A handwritten signature in cursive script, reading "Aaron Schlesinger", is written over a horizontal line.

Aaron Schlesinger  
Certified Court Reporter  
for Division V